

SECTION 1 - BENEFITS

1 IMPORTANT DEFINITIONS

Familiarity with the following terms will help you understand the information in this handbook and will make it easier to complete the benefit reports required by the department.

"Administrative Account" - an account in which the federal moneys apportioned to the state for the administration of Chapter 108 are deposited. In addition, it is funded by employers through penalty charges, tardy filing fees and interest on delinquent payments. In certain limited cases, benefits based upon work performed for reimbursable employers are paid from this account.

"Balancing Account" - a segregated account within the Unemployment Reserve Fund financed by employers' contributions and other means specified by law to pay benefits which, by statute, cannot be charged directly to a contributing employer's account.

"Base Period" - the first four of the last five completed calendar quarters prior to the week in which a new initial claim application for unemployment benefits is filed. Wages paid during the base period are used to determine if a claimant has been paid enough wages to qualify for an unemployment claim. Wages paid during the base period are also used to compute the amount of unemployment benefits that can be paid during the claim (maximum benefit amount).

If a claimant does not have enough wages to qualify for a claim using the base period defined above, an "alternate base period" will be used. The alternate base period will be the four most recently completed calendar quarters prior to the week the initial claim application for the new benefit year is filed.

"Benefit Year" - the 52-week period that begins with the week a new initial claim application is filed. The maximum benefit amount computed from wages paid during the base period can be paid to the claimant for weeks in which the claimant is totally or partially unemployed during the benefit year. If the maximum benefit amount

is all paid to the claimant before the benefit year ends, the claimant is not eligible for regular unemployment benefits for any remaining weeks of total and partial unemployment in the benefit year.

"Calendar Quarter" - the four calendar quarters are:

January 1 through March 31
April 1 through June 30
July 1 through September 30
October 1 through December 31

"Contributing Employer" - An employer that is subject to the UI law and who finances its UI liability by submitting a quarterly tax to the Department.

"Covered Employment" - work that is subject to and taxable under the unemployment law. Only wages earned in covered employment can be used to compute a claimant's entitlement for unemployment benefits.

"DWD" or "the Department" - Department of Workforce Development (formerly DILHR or the Department of Industry, Labor and Human Relations.)

"Excluded Employment" - work that is not subject to the unemployment tax and/or is specified by the unemployment law as not covered for benefit entitlement computation purposes.

"Full-time Employment" - work performed for at least 35 hours per week.

"High Quarter" - the calendar quarter in a claimant's base period during which the claimant was paid the highest amount of wages from all covered employment. Wages paid in the high quarter are used to compute the claimant's weekly benefit rate.

"Initial Claim Application" - an application made to start a new unemployment benefit year

or to resume/reopen an existing unemployment benefit year. This application must be filed in the week that the claimant wants the claim to begin.

"JETS" - Jobs Employment and Training Services. The division of DWD which provides employment assistance and job placement services to employers and applicants.

"Lag Period" - the period between the end of the base period and the start of the benefit year. It varies between 13 and 26 weeks in length, depending upon when the new initial claim application is filed. Wages paid during the lag period are not used to compute the claimant's entitlement.

"Maximum Benefit Amount" - the total amount of unemployment benefits potentially payable to a claimant during a given benefit year. Wages paid during the base period are used to compute this amount.

"Maximum Weekly Earnings Amount" - the highest amount of gross wages that a claimant can earn in a week and still qualify for the minimum UI payment of \$5.00.

"Partial Unemployment" - An employee is "partially unemployed" in any week in which (s)he earns wages that do not exceed his/her maximum weekly earnings amount.

"Qualifying Wages" - wages from covered employment paid in the base period which equal or exceed the amounts required to establish a benefit year. See Part 3 for details about these requirements.

"Reimbursable Employer" - A government unit or non-profit organization that uses the reimbursement financing method. The reimbursable employer does not submit a quarterly tax. Rather, it is billed monthly for its UI liability.

"Required Benefit Report" - a mailed request for information which the employer, where specified, is legally obligated to file with the Department. The required benefit reports include: Form UCB-16, Separation Notice; Form UCB-23, Wage Verification/Eligibility Report; Form UCB-719, Urgent Request for Wages and the Quarterly Wage Report.

"Total Unemployment" - An employee is "totally unemployed" in any week in which (s)he earns no wages.

"UI" - Unemployment Insurance. The Unemployment Insurance Division is the division of DWD (formerly DILHR) which is assigned administrative responsibility for the unemployment insurance law.

"Wages" - every form of remuneration payable to an individual for personal services. This includes salaries, tips, commissions, bonuses, the reasonable value of room and board, payments-in-kind and any other similar benefit received from the employing unit. Base period wages also include holiday pay, vacation pay, dismissal/severance pay, worker's compensation, and under certain circumstances, sick pay. For weekly claiming purposes, holiday pay, vacation pay, dismissal/severance pay, worker's compensation and sick pay must meet certain conditions to be treated as wages (see Part 6 for detailed information about base period and benefit year wages.)

"Week" - a calendar week beginning on a given Sunday and ending at midnight on the following Saturday. (The current UI weekly calendars are printed on the inside cover of this handbook.)

"Weekly Claim Certification" - a claim filed to receive an unemployment payment for a specific calendar week. A weekly claim certification cannot be filed until the week for which a payment is requested has ended, i.e. the claimant must wait until the Sunday following the week being claimed.

"Weekly Benefit Rate" - the weekly amount payable to the claimant for a week of total unemployment, equal to 4% of the total wages paid to the claimant in the high quarter, but not greater than the maximum weekly benefit rate set by the statutes.